राउरकेला इस्पात संयंत्र				
विक्रेय इस्पात	1208	1180	3	1671
उत्पादन (हजार टन)				
बी०एफ० उत्पादकता	0.76	0.80	10	1.13
टी०/एम-3/दिन				
कोकदर कि०ग्राम/टी एच एम	811	699	1	700
ऊर्जा खपत गैलन कैलोरी/				
टी०सी०एस०	11.0	10.38	3	9.0

Financial Crisis in SAIL

591. SHRI AMAR SINGH: Will the Minister of STEEL be pleased to state:

(a) whether it is a fact that Steel Authority of India is reeling under a severe financial crisis following a major drop in sales;

(b) whether it is also a fact that the company have incurred a loss of Rs. 279 crore during April and May, 1997;

(c) if so, what are the reasons therefor; and

(d) the remedial steps proposed to be taken up in this regard?

THE MINISTER OF STEEL AND MINISTER OF MINES (SHRI BIREDNRA PRASAD BAISHYA): (a) to (c) The quantity of sales has increased in the first quarter of 1997-98 as compared to the corresponding period last year and SAIL is not under any severe financial crisis.

SAIL consolidates its financial results on half yearly and annual basis. Hence, profit position will be known after expiry of six months/year of the current financial year.

(d) SAIL is taking steps on a continuous basis to improve its performance and sales, which include modernisation and technological upgradation of its plants, improving techno-economic factors i.e. reduction in coke rate, energy consumption, metallic input, improvement in yield, extensive customer contact, market oriented product-mix, improvement in quality, long term relationship with customers, leadership in service and customer satisfaction, strict control and monitoring of operating costs, higher productivity and greater autonomy to field officers, etc.

Mounting Losses in SAIL

592. SHRI GHUFRAN AZAM:
SHRI KRISHNA KUMAR BIRLA:

Will the Minister of STEEL be pleased to state:

(a) whether SAIL is heading for a serious financial crisis with its mounting losses;

(b) if so, what is estimated accumulated loss suffered by SAIL till date;

(c) what are the major causes attributed for the losses; and

(d) what steps have been taken by Government to improve the situation?

THE MINISTER OF STEEL AND MINISTER OF MINES (SHRI BIRENDRA PRASAD BAISHYA): (a) to (d) SAIL has been earning profit continuously since 1984-85. The cumulative profit of SAIL upto March, 1997 is Rs. 2749 crores.

SAIL is taking steps on a continuous basis to improve its performanace, which include modernisation and technological upgradation of its plants, improving

techno-economic factors i.e. reduction in coke rate, energy consumption, metallic input, improvement in yield, extensive customer contact, market oriented product-mix, improvement in quality, long term relationship with customers, leadership inservice and customer satisfaction, strict control and monitoring of operating costs, higher productivity and greater autonomy to field officers, etc.

Leasing of Bailadila Iron ore Mines

593. SHRI GOVINDRAM MIRI:
SHRI SHIV CHARAN SINGH:

Will the Minister of STEEL be pleased to state the latest status of leasing of Bailadila iron ore mines to private sector company?

THE MINISTER OF STEEL AND MINISTER OF MINES (SHRI BIRENDER PRASAD BAISHYA): The Hon'ble High Court at Calcutta granted a stay order on the decision to transfer the lease of Bailadila 11-B iron ore mines in favour of a joint venture company on 16.4.96 on a public interest petition feild by Shri Gurudas Dasgupta and Shri Jibon Roy, Members of Parliament. The writ petition was dismissed by the Hon'ble High Court on grounds of jurisdiction on 10.5.1996. However, the operation of the order was stayed by the Hon'ble High Court for a period of three weeks upto 31.5.1996. On a petition by the JV Company against this order, the Hon'ble Calcutta High Court has ordered that the interim stay granted by the learned trial judge will remain suspended till the disposal of the appeal preferred by the Company and the appeal preferred by Shri Gurudas Dasgupta against the order dismissing the original writ petition on jurisdiction grounds. These appeals are to come up before the regular bench.

A Public Interest Litigation (PIL) has also been filed in the High Court of Delhi in July, 1996 against the transfer of Bailadila Deposit 11-B. The case last came up for hearing on 16.7.97 when it was adjourned again for 30.7.97.

The subject is very important and needs detailed examination or various aspects. However, since the matter is pending before the Court, the Government would like to await the judicial verdict.

Decline in Profits of SAIL

594. SHRI S.M. KRISHNA: Will the Minister of STEEL be pleased to state:

(a) whether it is a fact that the profits of SAIL has declined sharply as compared to last year and in May, 1997 it registered a loss of Rs. 250 crores, if so, the reasons therefor;

(b) the details of coal imported by SAIL and the amount incurred on such imports during last three years, year-wise including the names of countries from where the coal was imported; and

(c) the quantity of coal SAIL purchased from CIL during last three years, year-wise?

THE MINISTER OF STEEL AND MINISTER OF MINES (SHRI BIRENDRA PRASAD BAISHYA): (a) The profit (before tax) in SAIL in 1996-97 was Rs. 602* crores as compared to Rs. 131816 in 1995-96. During the year 1996-97 SAIL had to face abnormal increase in input costs on account of cost escalation in coal price, petroleum price, railway freight, power tariff, special custom duties etc. The impact of these escalations is about Rs. 1000 crores while only a part of this impact could be neutralised through improvement in operational efficiencies. Other reasons, which have affected the profitability, include decline in the international prices of steel and freer imports bringing the margins under stress as also the sluggish market behaviour etc. due to which SAIL could not pass on the impact of input cost escalation to the customers.